

1 U.S. DEPARTMENT OF ENERGY
2 DRAFT EIS PUBLIC MEETING
3 SITE SELECTION FOR STRATEGIC PETROLEUM RESERVE EXPANSION
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7 JUNE 28, 2006

8 HOUMA-TERREBONNE CIVIC CENTER, HOUMA, LOUISIANA
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2 REPRESENTING THE DEPARTMENT OF ENERGY:

3 Mr. David Johnson, Director, Planning & Engineering Office,
4 Office of Petroleum Reserves, U.S. Department of Energy

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6 Ms. Karen Fadley, ICF International

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8 Mr. Alan Summerville, ICF International

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PUBLIC STATEMENTS

MS. FADLEY:

I'm going to read out the people who are pre-registered to come and give a comment, and then I'll invite anyone who's decided since walking in the door that you'd like to give a comment.

MR. DAVID KOHLER:

David Kohler, K-O-H-L-E-R. I'm with Dominion. We own the Hackberry facility. It's one of the facilities that is pre-existing. I'll just comment further on Dave Johnson's comments, that our facility actually has three completed caverns, five million barrels each, that have already been bleached and are just sitting empty. So as far as meeting the criteria -- or the four criteria that were outlined, one of them being cost effectiveness, "expeditiously," you know, in service, and the third one being the least impact. And that's the reason why we wanted to come here and have our comments heard, because in the Draft EIS there's a comment in there that really was misdirected, and I want to read it to you. It's on Page S, Paragraph 2 of the Draft Order, and it says, "The Chacahoula alternative, including the Chacahoula storage site and two of the three SPR expansion sites, Bayou Choctaw and West Hackberry, would affect the most acres of wetland of any alternative in the combination with other

1 projects in the same ecosystem. The Clovelly alternative
2 would have the smallest effect the combination with the
3 other projects. Louisiana has lost substantial amounts of
4 wetlands associated with agricultural activities, land
5 development, natural land subsidence, erosive forces over
6 the many decades."

7 Well, our facility happens to sit juxtaposed to the
8 SPR facility. We share a fenceline with them. It's 18
9 feet above sea level, and when Hurricane Rita came through
10 we didn't even have any water in the wells, so we found it
11 kind of difficult to think that there may be a wetland
12 issue, so we actually invited the Corps of Engineers to
13 come out with us. We actually met them today down at the
14 facility just to have a walk-through, because they're the
15 ones that made the comment.

16 And I think the reason why the comment was probably
17 made was misconstrued, because we do own some other
18 property that does go out into Black Lake, and I think
19 they misconstrued that the development would go into Black
20 Lake. The three caverns sit up 18 feet above sea level.

21 We had them come out, and they said if the DOE
22 pursues the plan that they have outlined in their
23 depiction, said that there would be no need for a wetlands
24 permit and there's no issue. So we wanted to make sure
25 that was made very clear.

1 Other than that, Dominion is very interested in
2 pursuing and hoping that our alternative is considered.
3 It does make a lot of sense. Obviously it could be put in
4 service probably the quickest of any of the alternatives.
5 Although it is small, it certainly meets the criteria.

6 Questions, comments?

7 MR. JOHNSON:

8 Well, thank you very much.

9 MR. KOHLER:

10 Thank you.

11 MS. FADLEY:

12 I'd like to invite Sybil Guidry up.

13 **MS. SYBIL GUIDRY:**

14 My name is Sybil Guidry and I'm a resident of
15 Terrebonne Parish. I'd like to voice my concerns
16 regarding the destruction of wetlands in Chacahoula, the
17 Department of Energy and disappointingly on the
18 recommendation of the State of Louisiana.

19 I'm not sure. Where's Dominion? Where did you say
20 Dominion was?

21 MR. KOHLER:

22 We're at the Hackberry facility.

23 MS. GUIDRY:

24 Hackberry facility?

25 MR. KOHLER:

1 Yes, ma'am.

2 MS. GUIDRY:

3 Is that where the Morton Salt Company was, the -- no?

4 MR. KOHLER:

5 No. Farther west.

6 MS. GUIDRY:

7 Farther west?

8 MR. KOHLER:

9 I think they were actually developed -- (inaudible).

10 MS. GUIDRY:

11 Well, I feel that it would impact severely the
12 fragile ecosystem that's already wounded from exploitation
13 by oil companies, by some thoughtless locals, as well as
14 the natural forces.

15 Terrebonne Parish has been negatively impacted by
16 Hurricanes Katrina and Rita. And so that's my concern, is
17 that, here goes some more wetlands, some more destruction.
18 And I'd just like to see the funding that DOE would expend
19 on building the petroleum oil reserves in the development
20 of alternative sources of clean energy. Thank you.

21 MR. JOHNSON:

22 Thank you.

23 MS. FADLEY:

24 Charlotte, did you have some comment?

25 **MS. CHARLOTTE RANDOLPH:**

1 Yes.

2 MS. FADLEY:

3 You can come up now if you have a comment. Please
4 remember to state your name and spell your last name.

5 MS. RANDOLPH:

6 Let me first apologize for my dress, so -- we had
7 some field work to do today. I am Charlotte Randolph,
8 Lafourche Parish President.

9 My comments, as they had been at the last meeting,
10 are directed to the Clovelly site. Because LOOP had been
11 a good environmental storage for many years, we feel that
12 any expansion could actually be best achieved in that
13 site. We feel that LOOP would certainly be a good monitor
14 of the situation, as well.

15 I realize that it will take some time for this
16 particular project to develop and come to fruition, but at
17 the same time Lafourche Parish, and in particular the LOOP
18 site, is encased and encircled by a levee system which was
19 able to survive Rita last year, and that was very
20 important because we certainly had some infrastructure
21 that was involved in that situation.

22 The Chacahoula site is straddling the border between
23 Lafourche and Terrebonne, and certainly we would be
24 somewhat concerned about the ecosystem there, but at the
25 same time -- we're open to discussion about that site, but

1 certainly we would favor more a site that has already been
2 developed, already been established, already been
3 represented as a group that will certainly make certain
4 that everything that is necessary to protect the
5 environment, as well as to provide the storage for this
6 very important American oil -- I think it would be best
7 served at LOOP. Thank you very much.

8 MR. JOHNSON:

9 Thank you.

10 MS. FADLEY:

11 Would anybody else like to stand up and make a
12 comment? Okay. Well, I do remind you that you have until
13 July 10th to submit your comments.

14 (Whereupon the public statements were concluded.)

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C E R T I F I C A T E

I, Paul Stahls, Certified Court Reporter,
in and for the State of Louisiana, do hereby certify that
the proceedings were reported by me and transcribed under
my personal direction and supervision, and that this is a
true and correct transcript, to the best of my ability and
understanding.

PAUL STAHL

Certified Court Reporter